

Central Intelligence Agency



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## DIRECTORATE OF INTELLIGENCE

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China and Sino-US Relations: The View from Tokyo

*At the same time Prime Minister Nakasone moved to strengthen Japan's relations with the United States, particularly in the security area, he was also reaffirming Tokyo's policy of maintaining close relations with Beijing. Nakasone has announced his intention to visit China next year. Chinese Party chairman Hu Yaobang will visit Japan in November. In this regard, Japan views the Sino-US relationship as critical to its own efforts to successfully manage relations with China. Tokyo watched the growing tension between Washington and Beijing over the past two years with uneasiness. Tokyo has clearly been relieved by the recent improvement in Sino-US relations*

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*This memorandum was prepared by the Office of East Asian Analysis*

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[redacted]

Tokyo does not believe technology transfer to China should be a serious concern except those technologies that are clearly military. Even then, Japan will probably support transfers that are defensive in nature (or confined to ground forces) as strengthening China's ability to resist Soviet pressure. Neither Japan nor China, however, wants to see the other develop a strong military establishment capable of projecting power throughout the region. [redacted]

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#### And the Longer-Term Japanese View

Japanese officials are broadly optimistic concerning the future of Sino-Japanese relations, and now have good reason to be more relaxed about Sino-US ties. They fear, however, a possible reemergence of radical leadership and/or political instability in Beijing that would damage China's overall relations with the West. On the economic front, Tokyo fears that Beijing may expect too much of Tokyo in supporting China's modernization programs and may anticipate more technical or financial assistance than Japan is able or willing to provide. Japanese officials also will continue to monitor Beijing's response to Tokyo's defense efforts; the Chinese have signaled some cooling in their support for the US-Japan MST and some anxiety over a resurgence of Japanese "militarism." [redacted]

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Tokyo is aware that developments in Japanese-Taiwan relations and Sino-Soviet relations have the potential for undermining Tokyo's ties with Beijing. According to diplomatic reports, Japanese officials would view any significant movement of China toward the USSR as detrimental to Japanese interests. Finally, they realize that renewed US-China tensions over Taiwan and technology sales could have a side effect of damaging Japan-China relations. [redacted]

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#### Sino-Japanese Relations

Political-Security Issues. Japan has increasingly come to view the USSR as the principal threat to Japanese security. Japan does not view China as a direct military threat. Nor does Tokyo believe this will change in the foreseeable future. Instead, Tokyo sees common security interests with China vis-a-vis the Soviet Union. [redacted]

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In broad terms Tokyo and Beijing have adopted complementary policies in support of ASEAN in opposition to the Vietnamese occupation of Kampuchea and the Soviet invasion of Afghanistan. The two governments oppose deployment of Soviet SS-20s to the Far East. The two powers also share an interest in peace and stability on the Korean peninsula, despite their support of different, mutually hostile, Korean regimes. [redacted]

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Tokyo has shown no desire to transform these common interests into a Japan-China alliance. Japan remained aloof from Chinese calls in the late 1970s for US-Japan-China defense cooperation against the Soviet Union. Such an initiative would probably encounter constitutional barriers, substantial public opposition, and, Tokyo believes, intense hostility from Moscow.

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Economic Interests. Tokyo's China policy assigns a central role to economic relations. Japan has embarked on a long-term, massive commitment to support China's economic modernization through public and private assistance, trade, and investment. Tokyo thus hopes to lend credibility to the moderate programs of the Deng-Hu-Zhao regime, contribute to political and economic stability on the mainland, and help draw Beijing toward the West. From Tokyo's view, China is also essential to Japan's policy of diversifying its sources of energy and strategic metals and as a future market for Japanese goods.

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In 1979, Tokyo designated China a priority recipient of economic aid and extended about \$1.5 billion in low-interest government loans, the bulk of which has been allocated for infrastructure projects. This year a second package of official loans, totaling \$2 billion, has been informally offered in support of China's Sixth Five-Year Development Plan.

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